

**Mori Hills REIT Investment Corporation**  
**Summary of the Q&A Session at the Financial Results Briefing**  
**for the 40th Fiscal Period (held on September 15, 2026)**

Q. What is the scale of the sponsor's current funding needs?

A. The sponsor is pursuing large-scale redevelopment projects in Roppongi 5-chome and Toranomom 3-chome, as well as overseas and various other projects. We therefore believe that the sponsor may have considerable funding needs. Furthermore, the sponsor's earnings forecasts call for property sales above the previous fiscal period's level, and these planned sales are expected to create opportunities for MHR to acquire properties.

Q. Are there any updates on the redevelopment of Laforet Harajuku?

A. There are no updates at present. While the building is approaching 50 years old and renovation work is undertaken as needed, we have not heard anything concrete regarding redevelopment.

Q. At what point will growth in operating revenue driven by increases in fixed master lease rent and other factors be sufficient to offset the negative impact of rising interest rates?

A. Rents at pass-through-type properties are rising steadily. However, rent increases at fixed-rent master lease properties will not begin to contribute until the 42nd period, meaning that it will take some time for rent growth to offset the impact of rising interest rates. If rent increases alone are insufficient, we will use the proceeds from property dispositions to implement the necessary measures.

Q. Property dispositions will reduce earnings from property leasing. Given the difficulty of acquiring properties at high yields because changes in cap rates lag behind changes in the risk-free rate, how do you intend to strike a balance between acquisitions and dispositions?

A. The sponsor's properties are high-quality assets developed through redevelopment projects and therefore tend to have lower yields. Nevertheless, when evaluating an acquisition, we will discuss an appropriate yield level based on the various terms and conditions. Regarding the use of the proceeds from property dispositions, we will consider not only acquiring new properties but also, taking into account where the investment unit price and NAV multiple stand, repurchasing our own investment units.

Q. Given the weakness in the investment unit price and the resulting difficulty in raising funds by issuing new investment units, which do you intend to use to fund property acquisitions: borrowings or proceeds from property dispositions?

A. We currently have borrowing capacity of approximately 30 billion yen. However, with interest rates rising, we believe proceeds from property dispositions should be the primary source of funding for property acquisitions.